



## Opinion 574

Published on District of Utah (<https://www.utb.uscourts.gov>)

---

**Opinion Title:** 03/31/2014 PUBLISHED Rushton v. Standard Industries, Inc. (In re C. W. Mining Co.), 09-2047, Judge Mosier.

**Body:**

One of the Debtor's customers interpleaded funds resulting from payments withheld on certain invoices into the Court. After conversion from chapter 11 to chapter 7, the trustee commenced an adversary proceeding to recover the interpleaded funds for the benefit of the estate. The Court initially granted the trustee's motion for summary judgment in part and ordered that the interpleaded funds be paid to the trustee. After the Court's decision was appealed and the case was remanded from the District Court, a creditor moved for summary judgment on the issue of whether the estate was entitled to the interpleaded funds. The Court granted the creditor's motion, holding that because the Debtor only assigned its interest in contract proceeds to its agent, but not the contract itself, and because the agent did not perfect its interest in the proceeds under the UCC, the trustee's interest in the interpleaded funds was superior to that of the agent. The Court also held that the invoices, though generated in the agent's name, did not create a genuine dispute regarding the ownership of the account with the customer or the interpleaded funds.

**File:**  [574.pdf](#) [1]

**Judge:** [Chief Judge R. Kimball Mosier](#) [2]

**Date:** Monday, March 31, 2014

**Source URL:** <https://www.utb.uscourts.gov/opinions/opinion-574>

**Links**

[1] <https://www.utb.uscourts.gov/sites/default/files/opinions/574.pdf>

[2] <https://www.utb.uscourts.gov/content/chief-judge-r-kimball-mosier>